VERNON MYERS
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

PHIL LEARY
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER

CITY OF PALATKA
FLORIDA

Regular meeting 2nd and 4th Thursdays each month at 6:00 p.m.

MICHAEL J. CZYMBOR
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

August 12, 2014

TO COMMISSIONERS: MARY LAWSON BROWN, ALLEGRA KITCHENS, PHIL LEARY AND JAMES NORWOOD, Jr.:

You are hereby notified that a Workshop Meeting of the Palatka City Commission is called to be held on Thursday, August 21, 2014, at the regular meeting place of the Palatka City Commission, Palatka City Hall, 201 N. 2nd Street, Palatka, Florida, to commence at **3:00 p.m.**

The purpose of the meeting is to hold the 3rd Budget Workshop per the 2014 TRIM Calendar to discuss the proposed FY 2014/2015 Budget.

/s/ Vernon Myers
Vernon Myers, MAYOR

We acknowledge receipt of a copy of the foregoing notice of a workshop meeting on the 12th day of August, 2014.

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Phil Leary
COMMISSIONER

/s/ James Norwood, Jr.
COMMISSIONER

/s/ Allegra Kitchens
COMMISSIONER

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERK'S OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

PHONE: (386) 329-0100
201 N. 2ND STREET • PALATKA, FLORIDA 32177
www.palatka-fl.gov
FAX: (386) 329-0106

CITY of Palatka
FLORIDA

FY 2014/2015
BUDGET **WORKSHOP** #3

THURSDAY, AUGUST 21, 2014 @ 3:00 P.M.

CHANGES SINCE LAST WORKSHOP

- General Fund:
  - Reduced Health Insurance increase from 15% to 8%
  - Corrected $30,000 NRA Grant expenditure in Police Department, was included twice
  - Reduced Contingency from $100,000 to $50,000, moved $50,000 to Fire Department Professional Services for 1st phase of Fire Assessment Fee implementation
  - Moved Golf Course and Airport subsidy amounts from Contingency lines to Transfer lines
  - Added back $4,200 in Capital Outlay for lease/purchase of City Manager vehicle which would provided a needed reliable vehicle for employees to use for training, conferences and daily general usage

- Airport Fund:
  - Added a transfer from General Fund to cover operational deficit
- Utility Fund:
  - Added $28,050 expense in Wastewater Treatment Plant Professional Services for renewal of FDEP permit
- Golf Fund:
  - Added a transfer from General Fund to cover operational deficit

COST OF LIVING ADJUSTMENT - 1%

	Effect on Reserves	FYE2015 Reserves No Raise	FYE2015 Reserves with Raise	% of Budget	Operational Balance No Raise	Operational Balance with Raise
General Fund	$(27,752)	$1,181,311*	$1,153,599*	12.48%	$(111,780)	$(139,532)
Airport Fund	$(1,448)	$(289,813)	$(289,813)	-14.61%	$(101,144)	$(102,592)
Water Fund	$(13,027)	$709,846**	$696,819**	15.99%	$411,655	$398,628
Sanitation Fund	$(5,693)	$399,697	$394,004	23.56%	$19,167	$13,474

* Includes Red Light Camera reserves of approximately $285,000
** Reserves shown are with 10% increase in water and sewer rates

COST OF LIVING ADJUSTMENT - 2%

	Effect on Reserves	FYE2015 Reserves No Raise	FYE2015 Reserves with Raise	% of Budget	Operational Balance No Raise	Operational Balance with Raise
General Fund	$(55,499)	$1,181,311*	$1,125,812*	12.14%	$(111,780)	$(167,279)
Airport Fund	$(2,899)	$(289,813)	$(289,813)	-14.61%	$(101,144)	$(104,043)
Water Fund	$(26,047)	$709,846**	$683,799**	15.64%	$411,655	$385,608
Sanitation Fund	$(11,383)	$399,697	$388,314	23.56%	$19,167	$7,784

* Includes Red Light Camera reserves of approximately $285,000
** Reserves shown are with 10% increase in water and sewer rates

COST OF LIVING ADJUSTMENT - 3%

	Effect on Reserves	FYE2015 Reserves No Raise	FYE2015 Reserves with Raise	% of Budget	Operational Balance No Raise	Operational Balance with Raise
General Fund	$(83,248)	$1,181,311*	$1,098,063*	11.81%	$(111,780)	$(195,028)
Airport Fund	$(4,349)	$(289,813)	$(289,813)	-14.61%	$(101,144)	$(105,493)
Water Fund	$(39,068)	$709,846**	$670,778**	15.30%	$411,655	$372,587
Sanitation Fund	$(17,073)	$399,697	$382,624	22.72%	$19,167	$2,094

* Includes Red Light Camera reserves of approximately $285,000
** Reserves shown are with 10% increase in water and sewer rates

BEFORE

WATER PRESSURE FROM CAST IRON 4" PIPE ON KATE STREET

AFTER

WATER PRESSURE AFTER INSTALLING A NEW 6" PVC LINE ON 7/21/14

UTILITY FY END BALANCES AND PROPOSED RATE INCREASE

- Beginning FY 2013/2014 $120,350
- Projected FYE 2013/2014 $298,191*
  - *Includes $151,000 one-time payment from SJRWMD
- Projected FYE 2014/2015 $709,846
  - Includes 10% increase in water/sewer rates

- 7.5% increase yields $307,300 in Revenue $605,491 FY End Balance
- 5% increase yields $204,866 in Revenue $503,057 FY End Balance
- 3% increase yields $122,920 in Revenue $421,111 FY End Balance

FIRE ASSESSMENT FEE (F.S. 170.201)

- Using data from the Florida League of Cities 2013 annual survey, a search was performed for cities with comparable population, general fund budget size and employee figures.

- Ranges used for the search were 3,500 to 20,000 in population, $3,000,000 to $25,000,000 General Fund budget amount and 50 to 300 full time employees.

- Out of 83 cities that responded "yes" to the question of having a fire assessment fee in place, 8 comparable cities were found and are listed below (in order by general fund budget amount, smallest to largest):
  - Newberry (pop. 4,957)
  - Brooksville (pop. 7,702)
  - Sebring (pop. 10,560)
  - Tavares (pop. 14,054)
  - Lake City (pop. 12,057)
  - Oldsmar (pop. 13,583)
  - St. Augustine (pop. 13,092)
  - Bartow (pop. 17,316)

FIRE ASSESSMENT FEE (F.S. 170.201)

(CONTINUED)

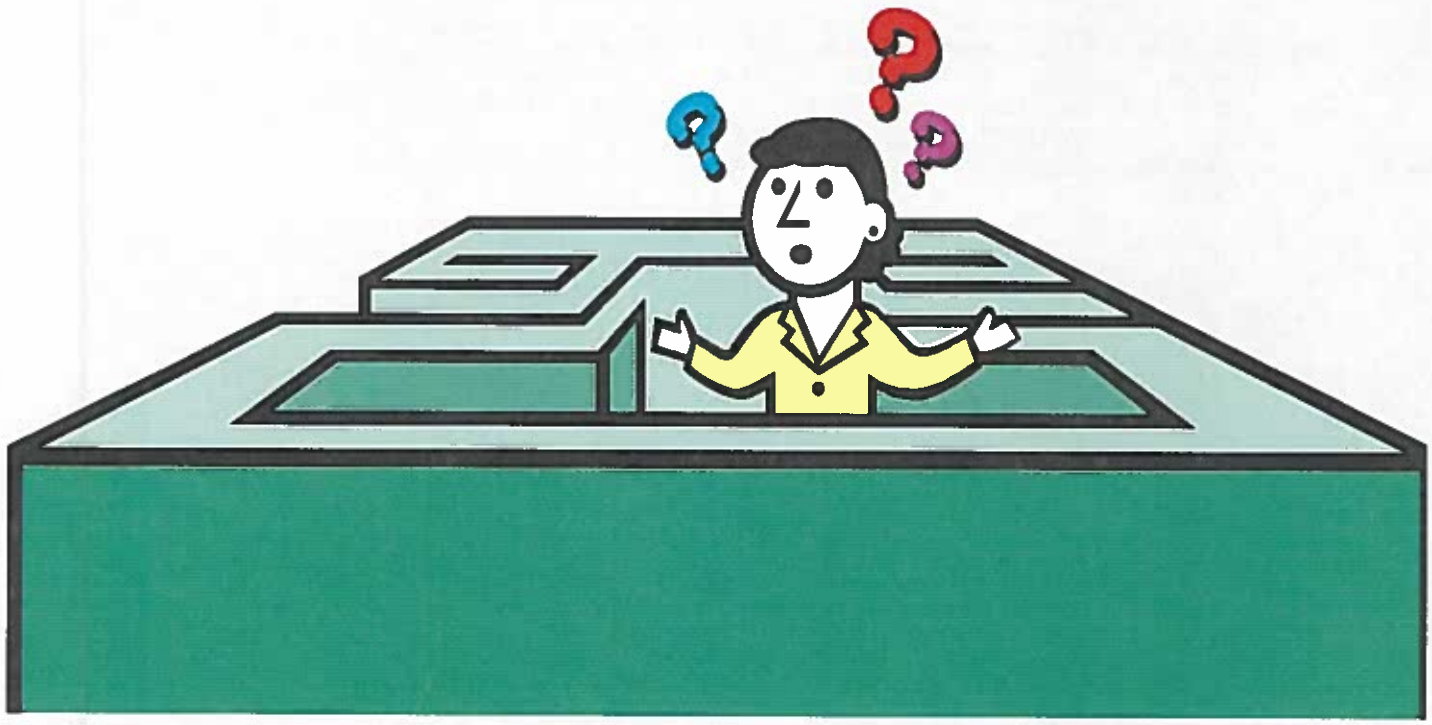
- Substantial amounts of information for each comparable city were gathered from the Florida League of Cities survey as well as the Census Bureau and the State of Florida Office of Economic and Demographic Research

- This data was compiled into a spreadsheet where an average for each category of information was calculated in order to easily compare the data to the City of Palatka

- Due to the size and amount of data included, the entire spreadsheet cannot be included in this presentation however the complete spreadsheet can be provided upon request

FIRE ASSESSMENT FEE (F.S. 170.201)

	Palatka	Other Cities Average
In labor force	52.1%	56.5%
Not in labor force	47.9%	43.5%
Percent Unemployed	15.1%	12.9%
Median household income (dollars)	$21,156	$39,451
Mean household income (dollars)	$33,569	$52,166
Median family income (dollars)	$28,692	$49,883
Mean family income (dollars)	$41,103	$64,340
Per capita income	$14,700	$21,645
All families below poverty level	31.9%	16.1%
All people below poverty level	40.6%	21.7%
Assessed Value	$697,913,688	$1,011,612,379
Total Exemption Value	**$330,165,735**	**$353,223,710**
Total Taxable Value	$367,747,953	$658,388,669
Government Exemption vs. Assessed Value %	**31.0%**	**17.1%**
Institutional Exemption vs. Assessed Value %	6.6%	6.6%
Homestead Exemption vs. Assessed Value %	**8.2%**	**10.0%**
Total Exemption vs. Assessed Value %	**47.3%**	**35.4%**

REVIEW OF PROPOSED FINAL DEPARTMENT BUDGET REQUESTS

- Questions